

**BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001**

PROPOSED RULEMAKING ESTABLISHING RULES PURSUANT TO 39 U.S.C. 404a

Docket No. RM2013-4

**INITIAL COMMENTS OF THE INTERNATIONAL DIGITAL ENTERPRISE ALLIANCE, INC. (IDEAlliance)
(July 29, 2013)**

On June 5, 2013, the Postal Regulatory Commission issued Docket No. RM2013-4, Notice of Proposed Rulemaking Establishing Rules Pursuant to 39 U.S.C. 404a. Section 404a(a) precludes the Postal Service from: (1) establishing regulations that have the effect of harming competition; (2) compelling private entities to disclose information about their intellectual property; and (3) using information obtained from a person without their consent and then of fearing any postal product that uses or is based on such information.

IDEAlliance would like to take this opportunity to respond to this Docket filing. First and foremost, we would like to thank the Commissioners for responding to feedback from the mailing industry by making this effort to lay down ground rules and streamline processes so that we can all collectively achieve our goal of a healthy future for the United States Postal Service. Specifically, IDEAlliance would like to comment on our support for the Proposed Rulemaking provisions as follows:

Proposed part 3032, which would create substantive rules that implement the statutory prohibitions found in 39 U.S.C. 404a, making provisions to enhance the discovery process by allowing complainants to utilize depositions.

Proposed part 3033, which would create an optional accelerated procedure designed to have the Commission adjudicate certain types of 39 U.S.C. 404a complaints in 90 days. This expedition helps to protect complainants from long, formal, drawn out, and expensive litigation that could preclude smaller entities from being able to take advantage of the very protections established by the statutes in the first place.

Providing policy guidelines to clarify support for the substantive provisions of 39 U.S.C. 404a by citing the relevant legislative history of the Postal Accountability and Enhancement Act (PAEA), Public Law No. 109-435, 120 Stat. 3218 (2006) and its precursor bills helps to provide a clear understanding of the intent. IDEAlliance believes that actions taken by the USPS in the past year – and beyond – have made these clarifications necessary.

IDEAlliance members have and will continue to support the USPS by providing products and services that promote and enhance the use of the mail. A level playing field in the marketplace is all that is asked in return. We applaud the PRC efforts to monitor and guide the USPS as necessary.

Listed below are some bullet points with a few very high level points regarding USPS and IDEAlliance community activities. Partnerships need to be maintained – and respected – by both USPS and Industry participants alike.

IDEAlliance community support/partner activities in relation to USPS:

1. User license fee restructuring for Mail.dat/Mail.XML users – this is now being funded by IDEAlliance MSDG members through annual Royalty License Agreements, and User License Codes being provided at no charge to new users;
2. Assistance with TEM (Test Environment for Mailers) Certification simplification to enable USPS to provide easier/faster Full Service on-boarding; and
3. Countless hours of free consulting and free Beta testing of USPS systems.

USPS activities that are of concern to the mailing industry:

1. Modified the definition of a Mail Owner in order to mandate collection of mail owner information. Mail Owner had previously been defined as “whoever pays the postage”. Definition was changed to the broader and ambiguous definition of “Mail Owner: The mail owner is the business entity, organization, or individual who makes business decisions regarding the mailpiece content, directly benefits from the mailing, and ultimately pays for postage on the mailpiece directly or by way of a mailing agent. “ This expanded definition requires not only the exposure of sensitive supply chain information for mailing service providers, but can also present a difficult and untenable situation. There are situations, such as a brokerage scenario, whereby the mailing service provider simply does not know who the ultimate Mail Owner is in this expanded definition.
2. Initiated requirements for By/For Information in order to get automation discounts via Full-Service – in conjunction with the redefinition of a “mail owner”. This is being perceived as a way for the USPS to identify previously unnamed mailers and market potentially competitive services directly to them.
3. Disingenuous and misleading tactics pertaining to the Tech Credit. The industry was led to believe this was an approved approach by the USPS as evidenced by the April 19, 2013 letter from Postmaster General Donahoe to the industry. Many mailers made investments in software and hardware technology based upon the Credit.
4. Introduction of and continued investment into the IMsb Tool, which IDEAlliance and many others in the industry believe to be in direct competition with an already-served market.

When the Postal Service invests its time and money unwisely (as in the case of the IMsb Tool) we are doubly affected , as IDEAlliance represents a community of more than just providers of products and services that promote and enhance the use of the mail – we are also ratepayers. We appreciate the structure and format proposed in this rulemaking docket, intended to help protect investments into a strong and thriving Postal supply chain and ecosystem.

In closing, we applaud the efforts by the Commission to protect the USPS, the Mailing Industry, and the rate-paying community in a fair and equitable manner. Thank you for the opportunity to express our concerns.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'D. Steinhardt', with a stylized flourish at the end.

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July 29, 2013